

News

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AVERAGE ANNUAL PAY IN WASHINGTON, 1999

Annual pay in Washington averaged \$35,736 in 1999, increasing 8.0 percent over the year, the highest pay growth in the Nation, according to the U.S. Department of Labor's Bureau of Labor Statistics. Stanley P. Stephenson, Regional Commissioner of the Bureau in San Francisco, noted that Washington's pay level exceeded the national average (\$33,340), but trailed the Pacific division¹ (\$36,518). (See table 1.)

Average pay in the Pacific division grew at a 6.3 percent pace in 1999 compared to 4.4 percent nationally. Washington's pay growth was well above the other four states in the division ranging from 6.3 percent in California, which was third highest nationwide, to 0.5 percent in Alaska, the lowest in the nation. In addition to Washington, pay levels exceeded the nationwide average in two other Pacific states, California at \$37,577 and Alaska at \$34,033. In the remaining states, annual pay was \$30,872 in Oregon and \$29,794 in Hawaii. (See table 1.)

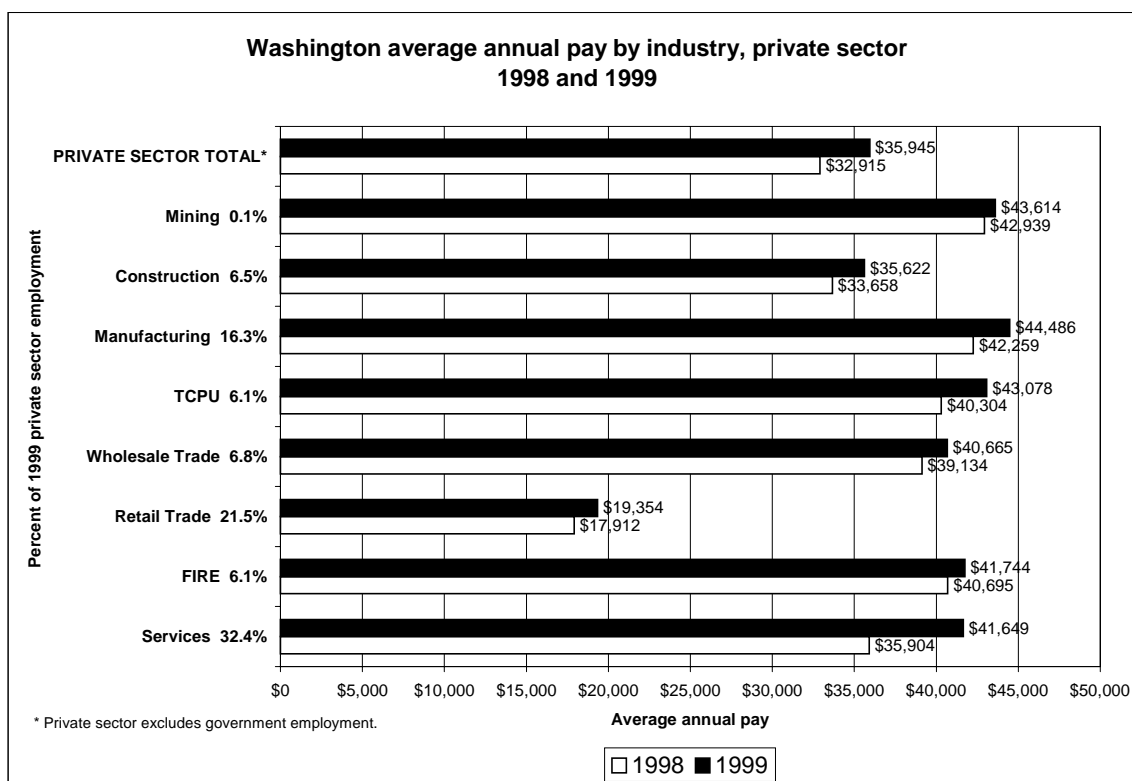
Annual pay data are compiled from reports submitted by employers subject to State and federal Unemployment Insurance (UI) laws which cover 122 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.) Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

Pay in industries

Annual pay for private industry workers (excludes those in government) in Washington grew strongly over the year advancing 9.2 percent to \$35,945 in 1999. Washington's pay gain was almost

¹ The Pacific division referenced in this release corresponds to the Census definition and is comprised of five states: Alaska, California, Hawaii, Oregon, and Washington.

twice as fast as the 4.7 percent growth registered for the nation's private sector. (See table 2.) Among the private industry divisions in Washington, services outpaced all others with pay growth of 16.0 percent. Retail trade had the next highest rate of increase at 8.1 percent, with the remaining industries' growth ranging from a high of 6.9 percent in transportation, communications, and public utilities to a low of 1.6 percent in mining. Manufacturing pay surpassed mining to become the highest paid industry at \$44,486 in 1999. Pay in mining had exceeded all other industries since 1981. Retail trade, which includes a high percentage of part-time workers, remained the lowest-paid at \$19,354. Statewide pay levels in the private sector were above the nationwide averages in five of the eight industry divisions. As a result, private industry workers in Washington made \$2,701 more than the national average of \$33,244. Overall, 83 percent of the State's workforce was employed by private industry with services accounting for nearly one-third of all jobs in this sector and retail trade about one-fifth.



Pay in metropolitan areas

Among Washington's nine metropolitan areas², Seattle-Bellevue-Everett led the State in pay averaging \$43,929 in 1999, 7th highest among the 316 metropolitan areas nationwide. (See table 3.) Only Seattle had a pay level above the national metropolitan average of \$34,900. Portland-Vancouver, OR-WA recorded the second highest pay level in Washington at \$34,382 and ranked 39th nationwide. Yakima had the lowest average annual pay in the State, at \$22,402 and ranked 311th nationally. The

² Nationwide there are 316 metropolitan areas. The general concept of a metropolitan area is that of a core area containing a large population nucleus, together with adjacent communities that have a high degree of economic and social integration within that core. See Technical Note for criteria used in determining a metropolitan area.

other six remaining metropolitan areas in Washington ranged from \$30,117 in Richland-Kennewick-Pasco to \$25,612 in Bellingham.

The rate of growth in pay from 1998 to 1999 varied widely among the State's metropolitan areas. Seattle's pay increase, at 10.2 percent, was the largest in the State and second highest in the nation. Four metropolitan areas in Washington had growth rates from 4.1 to 4.7 percent, close to the national average of 4.4 percent. The smallest pay gains were recorded in Bremerton and Richland-Kennewick-Pasco, at 2.7 and 2.1 percent, respectively.

Pay in large counties

Pay in Washington's seven large counties³ ranged from \$46,065 in King County to \$22,402 in Yakima County. Pay levels in King County and Snohomish County (\$33,887) surpassed the nationwide average (\$33,340). With a pay growth of 11.6 percent, King was the only county in the State to exceed the 4.4 percent national increase, ranking it fourth highest overall. While all the large counties in Washington experienced pay growth in 1999, only Snohomish's pay level grew less than 1.0 percent. (See table 4.)

NOTE

Data presented in this release will differ from that previously published in the three Average Annual Pay releases issued in November and December of 2000. Pay data in this release is no longer preliminary. In addition, data for New Jersey, which was unavailable at the time of the national releases were issued, is now included in all series.

TECHNICAL NOTE

Background

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1999 are preliminary and subject to revision.

Coverage

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from

³ A large county is defined as having an employment level of 75,000 or more; there are 305 counties in the United States which meet this criteria.

summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

UI and UCFE coverage is broad and basically comparable from state to state. In 1999, UI and UCFE programs covered workers in 127.0 million jobs. The estimated 122 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment. Covered workers received \$4.232 trillion in pay, representing 94.7 percent of the wage and salary component of personal income and 45.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1999 included most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Concepts and methodology

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12th of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 1999 were computed using final 1998 data as a base.

The ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations affects average annual pay. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer. Year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low- wage jobs, as well as from changes in the level of average annual pay.

Data in table 4 are presented separately for the private sector and for government. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual. Government data include federal, state, and local establishments.

Each year, a relatively small number of employers provide insufficient information on the nature of their businesses to assign a specific SIC classification and therefore could not be classified by industry division. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer—data in this release use criteria established in definitions issued June 23, 1998 (OMB Bulletin No. 98-06). The 316 metropolitan areas in the United States are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, a MSA consists of one or more counties and meets specified size criteria—either it contains a city of at least 50,000 inhabitants, or it contains an urbanized area of at least 50,000 inhabitants, and has a total population of at least 100,00 (75,000 in New England). A CMSA is a

metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology Management Reform Act of 1996 and the Computer Security Act of 1987, Public Law 104-106. Areas shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created.

Additional statistics and other information

Additional average annual pay data (or Covered Employment and Wages data) is available on the BLS Internet site at <http://www.bls.gov/cewhome.htm>. Data can be accessed in two ways, through Selective Access, which allows quick access to particular items or via the special request FTP service, which allows access to extensive collection of flat text files. The San Francisco Information Office can provide assistance accessing these files by calling (415) 975-4530.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site <http://www.bls.gov/ro9news.htm>

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, *Employment and Wages, Annual Averages, 1999*, features information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report is available for sale from the Bureau of Labor Statistics Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Telephone orders using a credit card (MasterCard, VISA, Discover/NOVUS) or Government Printing Office Deposit Account are accepted at (312) 353-1880 from 8 a.m. to 3 p.m. central time.

For personal assistance or further information on Annual Average Pay data as well as other Bureau programs, contact the San Francisco Information Office at 415-975-4350 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. pacific time.

Table 1. State average annual pay for 1998 and 1999 and percent change in pay for all covered workers¹

	Average annual pay		Percent change, 1998-99
	1998	1999	
UNITED STATES ²	\$31,945	\$33,340	4.4
Pacific division³	34,362	36,518	6.3
Alabama	27,042	28,095	3.9
Alaska	33,847	34,033	0.5
Arizona	29,322	30,525	4.1
Arkansas	24,425	25,371	3.9
California	35,348	37,577	6.3
Colorado	32,248	34,191	6.0
Connecticut	40,895	42,682	4.4
Delaware	33,969	35,157	3.5
District of Columbia	48,462	50,885	5.0
Florida	28,184	28,935	2.7
Georgia	30,856	32,332	4.8
Hawaii	29,036	29,794	2.6
Idaho	24,868	26,044	4.7
Illinois	34,715	36,296	4.6
Indiana	29,108	30,027	3.2
Iowa	26,026	26,953	3.6
Kansas	26,845	28,031	4.4
Kentucky	26,697	27,783	4.1
Louisiana	26,910	27,216	1.1
Maine	25,875	26,887	3.9
Maryland	33,301	34,489	3.6
Massachusetts	37,774	40,352	6.8
Michigan	34,521	35,750	3.6
Minnesota	32,075	33,487	4.4
Mississippi	23,822	24,391	2.4
Missouri	28,907	29,967	3.7
Montana	22,648	23,260	2.7
Nebraska	25,539	26,632	4.3
Nevada	30,203	31,213	3.3
New Hampshire	30,944	32,141	3.9
New Jersey	39,516	41,038	3.9
New Mexico	25,711	26,267	2.2
New York	40,684	42,179	3.7
North Carolina	28,176	29,462	4.6
North Dakota	22,990	23,751	3.3
Ohio	30,392	31,395	3.3
Oklahoma	25,122	25,813	2.8
Oregon	29,544	30,872	4.5
Pennsylvania	31,584	32,696	3.5
Rhode Island	30,156	31,169	3.4
South Carolina	26,161	27,132	3.7
South Dakota	22,751	23,767	4.5
Tennessee	28,462	29,478	3.6
Texas	31,515	32,898	4.4
Utah	26,873	27,895	3.8
Vermont	26,611	27,597	3.7
Virginia	31,373	33,025	5.3
Washington	33,076	35,736	8.0
West Virginia	25,276	26,018	2.9
Wisconsin	28,531	29,607	3.8
Wyoming	24,725	25,647	3.7

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Totals for the United States do not include data for Puerto Rico.

³ The 5 states comprising the Pacific division are in bold-face type.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers¹

State and industry ²	Average annual pay		Percent change, 1998-99
	1998	1999	
United States			
Total Private.....	\$31,762	\$33,244	4.7
Mining.....	52,066	54,636	4.9
Construction.....	33,386	34,812	4.3
Manufacturing.....	40,092	41,941	4.6
Transportation, communications, and public utilities.....	39,345	41,786	6.2
Wholesale trade.....	41,831	44,185	5.6
Retail trade.....	16,810	17,602	4.7
Finance, insurance, and real estate.....	48,641	50,910	4.7
Services.....	30,053	31,509	4.8
Alaska			
Total Private.....	32,034	32,319	0.9
Mining.....	79,611	79,654	0.1
Construction.....	45,749	46,611	1.9
Manufacturing.....	31,234	33,727	8.0
Transportation, communications, and public utilities.....	41,294	42,251	2.3
Wholesale trade.....	36,409	35,923	-1.3
Retail trade.....	19,046	19,648	3.2
Finance, insurance, and real estate.....	34,042	34,724	2.0
Services.....	26,805	27,023	0.8

See footnotes at end of table.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers¹ (Continued)

State and industry ²	Average annual pay		Percent change, 1998-99
	1998	1999	
California			
Total Private.....	\$34,836	\$37,310	7.1
Mining.....	61,129	66,062	8.1
Construction.....	36,076	37,523	4.0
Manufacturing.....	44,742	49,672	11.0
Transportation, communications, and public utilities.....	41,386	46,480	12.3
Wholesale trade.....	43,547	45,785	5.1
Retail trade.....	19,321	20,403	5.6
Finance, insurance, and real estate.....	51,906	54,709	5.4
Services.....	34,630	36,885	6.5
Hawaii			
Total Private.....	27,672	28,163	1.8
Mining.....	51,198	52,402	2.4
Construction.....	43,548	43,623	0.2
Manufacturing.....	31,404	32,035	2.0
Transportation, communications, and public utilities.....	36,708	37,613	2.5
Wholesale trade.....	33,333	34,173	2.5
Retail trade.....	17,325	17,747	2.4
Finance, insurance, and real estate.....	36,204	37,124	2.5
Services.....	27,698	28,082	1.4

See footnotes at end of table.

Table 2. State and industry average annual pay in the Pacific States for 1998 and 1999 and percent change in pay for all covered workers¹ (Continued)

State and industry ²	Average annual pay		Percent change, 1998-99
	1998	1999	
Oregon			
Total Private.....	\$29,051	\$30,457	4.8
Mining.....	36,199	36,286	0.2
Construction.....	35,268	36,041	2.2
Manufacturing.....	38,759	41,226	6.4
Transportation, communications, and public utilities.....	35,765	38,126	6.6
Wholesale trade.....	39,853	42,482	6.6
Retail trade.....	17,452	18,319	5.0
Finance, insurance, and real estate.....	36,971	37,801	2.2
Services.....	25,905	27,309	5.4
Washington			
Total Private.....	32,915	35,945	9.2
Mining.....	42,939	43,614	1.6
Construction.....	33,658	35,622	5.8
Manufacturing.....	42,259	44,486	5.3
Transportation, communications, and public utilities.....	40,304	43,078	6.9
Wholesale trade.....	39,134	40,665	3.9
Retail trade.....	17,912	19,354	8.1
Finance, insurance, and real estate.....	40,695	41,744	2.6
Services.....	35,904	41,649	16.0

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Includes data for industries in addition to those shown separately.

Table 3. Average annual pay for 1998 and 1999 for all covered workers¹ by metropolitan area

Metropolitan area ³	Average annual pay			Ranking ² of areas
	1998	1999	Percent change, 1998-99	By level of average annual pay for 1999
All metropolitan areas ⁴	\$33,423	\$34,900	4.4	---
Metropolitan areas in Washington				
Bellingham, WA.....	24,795	25,612	3.3	247
Bremerton, WA.....	28,346	29,114	2.7	137
Olympia, WA.....	28,456	29,701	4.4	111
Portland-Vancouver, OR-WA.....	32,848	34,382	4.7	39
Richland-Kennewick-Pasco, WA.....	29,510	30,117	2.1	107
Seattle-Bellevue-Everett, WA.....	39,850	43,929	10.2	7
Spokane, WA.....	26,553	27,573	3.8	180
Tacoma, WA.....	27,482	28,644	4.2	146
Yakima, WA.....	21,518	22,402	4.1	311

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

² Ranking are based on a comparison of data for 316 metropolitan areas nationwide. Data for metropolitan areas in all 50 states are included in this release. As a result, data here will differ from that previously published in the national release which was issued before data for New Jersey became available.

³ Includes data for Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas as of June 1998. See Technical Note.

⁴ Totals and rankings do not include the six metropolitan areas within Puerto Rico.

Table 4. Employment and average annual pay for 1999 and 1998-99 percent changes for all covered workers¹ in the 7 largest counties in Washington.

County ²	Employment			Average annual pay	
	1999	Percent Change, 1998-99	Ranked by percent change, 1998-99 ³	1999	Percent change, 1998-99
United States ⁴	127,042,282	2.3	-	\$33,340	4.4
Washington					
Clark, WA.....	112,490	2.8	106	30,331	3.4
King, WA.....	1,132,099	3.5	75	46,065	11.6
Pierce, WA.....	231,702	1.4	201	28,644	4.2
Snohomish, WA.....	211,798	-0.7	291	33,887	0.9
Spokane, WA.....	183,535	1.5	191	27,573	3.8
Thurston, WA.....	82,933	2.4	131	29,701	4.4
Yakima, WA.....	92,483	-1.6	294	22,402	4.1

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 305 largest U.S. counties comprise 70.2% of the total covered workers in the nation. Counties in all 50 states are included. As a result, data here will differ from that previously published in the national release which was issued before New Jersey data became available.

² Includes areas not officially designated as counties. See Technical Note.

³ Rankings for percent change in employment are based on the 288 counties that are comparable over the year.

⁴ Totals and rankings for the United States do not include data for the one large county in Puerto Rico.